

State of Utah

Department of **Natural Resources**

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

| Representatives Present During the Inspection: | | | | | |
|--|---|--|--|--|--|
| Company | Dennis Ware Controller | | | | |
| OGM | Steve Demczak Environmental Scientist III | | | | |

Inspection Report

| Permit Number: | C0070038 | | |
|------------------|-------------------------|--|--|
| Inspection Type: | COMPLETE | | |
| Inspection Date: | Tuesday, May 20, 2008 | | |
| Start Date/Time: | 5/20/2008 2:00:00 PM | | |
| End Date/Time: | 5/20/2008 4:00:00 PM | | |
| Last Inspection: | Tuesday, April 22, 2008 | | |

Inspector: Steve Demczak, Environmental Scientist III

Weather: Sunny, 50's

InspectionID Report Number: 1658

Accepted by: jhelfric

Permitee: PLATEAU MINING CORP Operator: PLATEAU MINING CORP Site: WILLOW CREEK MINE

Address: PO BOX 30, HELPER UT 84526-0030

County: CARBON

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current Acreages

| Total Permitted | 14,662.49 |
|------------------------|-----------|
| Total Disturbed | 71.44 |
| Phase I | |
| Phase II | |
| Phase III | |

Mineral Ownership

Types of Operations ✓ Federal ✓ Underground State Surface ✓ Loadout County Processing Other Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee notified the Division that the fourth quarter of 2008 surface and UPDES water monitoring information for the Willow Creek Mine was in the electronic data base pipeline ready for uploading.

The Permittee continues to meet the Special Condition included as Attachment "A" of the current State permit, which was renewed April 24, 2006.

There are no pending compliance actions.

There is currently no activity at this site.

Inspector's Signature:

Steve Demczak, Environmental Scientist III

Date

Wednesday, May 28, 2008

Inspector ID Number: 39

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- Substantiate the elements on this inspection by checking the appropriate performance standard.
 For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- 3. Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

| | | Evaluated | Not Applicable | Comment | Enforcement |
|------|---|--------------|----------------|--------------|-------------|
| 1. | Permits, Change, Transfer, Renewal, Sale | \checkmark | | \checkmark | |
| 2. | Signs and Markers | V | | | |
| 3. | Topsoil | ~ | | ✓ | |
| 4.a | Hydrologic Balance: Diversions | ✓ | | | |
| 4.b | Hydrologic Balance: Sediment Ponds and Impoundments | ✓ | | ✓ | |
| 4.c | Hydrologic Balance: Other Sediment Control Measures | ✓ | | ✓ | |
| 4.d | Hydrologic Balance: Water Monitoring | ✓ | | ~ | |
| 4.e | Hydrologic Balance: Effluent Limitations | V | | ✓ | |
| 5. | Explosives | | ✓ | | |
| 6. | Disposal of Excess Spoil, Fills, Benches | V | | | |
| 7. | Coal Mine Waste, Refuse Piles, Impoundments | V | | ✓ | |
| 8. | Noncoal Waste | V | | ✓ | |
| 9. | Protection of Fish, Wildlife and Related Environmental Issues | V | | | |
| 10. | Slides and Other Damage | ~ | | ✓ | |
| 11. | Contemporaneous Reclamation | | ✓ | | |
| 12. | Backfilling And Grading | ✓ | | ✓ | |
| 13. | Revegetation | V | | . 🗸 | |
| 14. | Subsidence Control | V | | | |
| 15. | Cessation of Operations | ✓ | | | |
| 16.a | a Roads: Construction, Maintenance, Surfacing | V | | | |
| 16.b | Roads: Drainage Controls | ✓ | | | |
| 17. | Other Transportation Facilities | V | | | . [] |
| 18. | Support Facilities, Utility Installations | ✓ | | ✓ | |
| 19. | AVS Check | ✓ | | | |
| 20. | Air Quality Permit | ✓ | | | |
| 21. | Bonding and Insurance | ✓ | | ✓ | |
| 22. | Other | | | | |

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1. Permits, Change, Transfer, Renewal, Sale

The permit will expire on April 24, 2011.

3. Topsoil

All topsoil has been used for reclamation.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment pond has been inspected for the first quarter of 2008. No hazardous conditions have been reported. This sediment pond is outside the permit area and is still being inspected. The pond was inspected on March 26, 2008.

4.c Hydrologic Balance: Other Sediment Control Measures

The site has been pocked for sediment control.

4.d Hydrologic Balance: Water Monitoring

The fourth quarter of 2008 sampling information has been submitted to the Division. Permittee is concern the information is not being reviewed. The permittee is not receiving a water monitoring report back from the Division.

4.e Hydrologic Balance: Effluent Limitations

No discharged occurred for the first quarter.

7. Coal Mine Waste, Refuse Piles, Impoundments

The reclaimed refuse pile was inspected for the first quarter of 2008.

8. Noncoal Waste

The Willow Creek site was clear of non-coal waste materials.

10. Slides and Other Damage

No slides have been noticed since the last inspection.

12. Backfilling And Grading

The site is backfilled and graded.

13. Revegetation

The property has been re-seeded.

18. Support Facilities, Utility Installations

No support facilities are at the site.

Inspection Continuation Sheet

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21. Bonding and Insurance

The bonding amount is \$2,275,144. The insurance company is Steadfast Insurance Company. The policy will expire on October 1, 2008.